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British fliptop

Forte offers instant Rapport with the sun

Custom-built British convertible, the Rapport Forte, features a steel-and-aluminum roof that disappears into the trunk at the push of a button. The headlight arrangement has an airfoil section which conceals the upper portion of the four headlamps and is electronically raised to allow full beam. Power is by a Jaguar V-12, mated to a GM automatic transmission. Turbocharged engine and manual transmission are optional. Price? $89,000.

breaking news

GM eyes five-speed transmission

DETROIT.—Chevrolet is said to be studying a five-speed overdrive version of the Muncie four-speed transaxle that is used in the J-cars and X-cars. Production is not likely to begin before 1983, at the earliest.

Corvette winding down in St. Louis

ST. LOUIS.—Corvette operations are scheduled to wind up here by the end of July as part of the shift of production to Bowling Green, Ky. Output is slated to get under way in Kentucky in June at a single-shift rate of 15 units per hour.

Peugeot moves against Japanese

PARIS.—Peugeot has signed an agreement with the Economics Ministry of Tunisia to develop the French group's interests there in cooperation with a locally based manufacturing concern. About 11,000 vehicles are assembled annually in Tunisia, with Peugeot and Citroen accounting for some 7,000. The plan is to increase this to 10,000 while blunting penetration of Japanese makes in the market.

Toyota to expand in Australia

TOKYO.—Toyota said it plans to build a second body plant in Australia in an attempt to strengthen its competitive position against General Motors and Ford. The new plant, slated to begin output early in 1983, will have a capacity of 3,000 bodies monthly.

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Global gab, but no action on Japanese import issue

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—The more it changes, the more it's the same. That's the best description of what was happening last week in Washington, Tokyo and Detroit on the question of Japanese cars in the U. S.

The number of signals, hints and suggestions increased but no real progress — much less hard news—was evident.

Nonetheless, as the time of Japanese Prime Minister Zenko Suzuki's visit to Washington comes closer, there is some hope that the Japanese "voluntarily" and "in their own best interest" may come forth with a modest proposal to curb their exports. Whether it will satisfy all parties remains to be seen.

Now, however, the parties are at an impasse—with the Japanese through Commerce Secretary Malcolm Baldrige and the press as intermediaries.

The Japanese have been saying their success in the marketplace did not cause Detroit's woes—and they have last fall's International Trade Commission decision as support. Further, they say, cutting back on imports will not settle Detroit's problems—and they have support for that from studies made by the Council of Economic Advisers.

When members of the Japanese Diet took that argument to members of Congress, they found agreement but no real help. Senator John Danforth, Missouri Republican — whose views were typical of several leaders — said he never maintained that "imports deserve the blame for the current crisis," but they are part of the problem and just as the U. S. government, U. S. auto makers and workers must do their share, so must Japan.

Besides, May 12 is the day set to start markup of his measure to lower Japanese auto imports to 1.6 million a year for three years.

The Japanese got the message. They told Secretary Baldrige of their sorrow and compassion for the mess the auto companies got themselves into and said they want to help. But, they asked, what are the companies and the UAW doing?

As Baldrige explained, the Japanese have apparently got the message from the Reagan Administration.

It goes like this: The President would like to see "voluntary" restraints from the Japanese car companies. He has no numbers to suggest. He would like to see wage and price restraints from the U. S. companies and the UAW, but he believes in the free enterprise system and will not make any suggestions to them, no orders, no jawboning.

Congress is its own boss the message goes on, and it could very well pass mandatory quotas, which the President does not like, but he does not yet know whether he would accept such a law or whether he would veto it. Every man, woman and child—here and abroad—should do whatever he can to save the auto industry, and the President will be happy.

Baldrige went on to add that the Japanese do things by consensus and they are working at it. But their problems are similar to those that now exist in the U. S. government. The government wants restraints without upsetting other crucial areas

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Administration floats two-car emissions plan

By Jake Kelderman
Washington Staff Writer

WASHINGTON. — The Reagan Administration, as part of its developing Clean Air Act revision strategy, is considering a "two-car" scenario.

In it, uncontrolled vehicles would be allowed to operate in areas of the country that meet ambient air quality standards, and only cars meeting 1981 emission standards would be allowed to operate in areas not meeting the ambient standards.

According to a confidential memorandum from the White House's executive secretary of the Cabinet Council on Natural Resources and the Environment, Danny J. Boggs, to the Administration's Clean Air Working Group, this drastic alteration of the current auto emissions control program could save "in automobile purchase price and operating costs, several billion dollars per year, especially if as many as 60 percent of the vehicles could meet less-stringent standards."

Most of the savings would come through the elimination of the catalytic converter ($300 to $900 million per year) and the return to less expensive leaded fuel ($1.5 billion per year), the memorandum says.

The proposal is to allow each state to decide which of two sets of standards—1981 or 1974—its cars would meet (consistent with its obligations to achieve federal ambient air quality standards), or have the federal government decide, particularly if long-range automotive pollution is a problem.

Based on analytical work done in 1974 and 1975, Boggs estimated that as few as 44 metropolitan areas with approximately 36 percent of the nation's automobiles would require autos that meet the 1981 standards and the remaining 64 percent of the automobiles could follow the 1974 standards without causing significant violations of the national ambient air quality standards."

He added, though, that if, for administrative reasons, it would be necessary to require that all cars in states with heavily pol-

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They term it dangerous and unreliable

Critics attack Cadillac V-8-6-4

By Marjorie Sorge

General Motors may have a time bomb on its hands with its new Cadillac V-8-6-4. Many customers and some dealers are ready to explode because they say the car just doesn't run properly.

Of the numerous customers interviewed by AUTOMOTIVE NEWS, most said the car can die on the road without warning. Others said the car slows down as if to stall and then jerks forward unexpectedly. Still others reported engine fires.

The V-8-6-4 digital fuel injection engine is an electromechanical system, controlled by a microprocessor, which calls up eight, six or four cylinders depending on driving requirements. It is designed to improve the gas mileage of the vehicles, but many of the customers interviewed said their mileage was no better than it had been on earlier models with the regular V-8.

The system is standard on the 1981 deVille, Fleetwood Brougham, limousine and Eldorado models and an option on the Seville.

There is currently one class-action lawsuit pending in New Jersey charging that the device is "experimental" and that the engine stops "without prior warning" and "ceased to function at varying speeds" which caused "abrupt and marked deceleration" exposing the occupants to safety hazards, especially rear-end collisions.

Because of the lawsuit, a Cadillac spokesman said the company could not comment on any of the charges or on the number of complaints GM has received.

There are indications that dealers are in effect buying back the cars equipped with the V-8-6-4 from very dissatisfied customers. Other dealers are either disconnecting or showing

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NEWSPAPER

Truck outlets in U. S. down 1,371 in year

The number of places where anyone can buy a truck in the U. S. today is down slightly from a year ago, but with market conditions such as they are, no one will have to look far for a place to buy.

On Jan. 1, 1981, according to the annual AUTOMOTIVE NEWS truck-outlet census, there was a net total of 21,870 truck outlets, a decline of almost 5 percent from the 23,241 in business at the start of 1980, a difference of 1,371.

The Big Three's four truck-manufacturing operations, which account for about 85 percent of the total outlets, suffered the biggest losses in the number of outlets, reflecting the drastic slump in both new-car and light-truck sales in the last year.

At the start of this year, there were 18,505 Big Three truck outlets, a decline of 1,384 from the 19,889 in service at the same time the previous year.

Ford's total was down 415, from 5,577 a year ago to 5,162, with practically all of the loss represented by dealers which sold only cars and light trucks. Ford's heavy-truck outlets totaled 270 on Jan. 1, 1981, compared with 275 a year ago.

Dodge had 404 fewer outlets at the start of the year, and

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SALES OUTLETS FOR TRUCKS

Retail Outlets*

	Jan. 1, 1981	‡ Jan. 1, 1980
Chevrolet	5,700	5,870
Dodge	2,565	2,969
Ford	5,162	5,577
Freightliner	190	190
International	1,338	1,590
IVECO (Magirus)	152	125
Jeep	1,809	1,899
Kenworth**	120	120
Mack	248	252
Mercedes	166	163
Peterbilt	121	116
GMC	2,596	2,680
Plymouth**	2,482	2,793
Volvo	123	118
White†	230	246
FWD	71	82
Miscellaneous	248	298
Private outlets	23,321	25,088
Factory outlets	388	387
TOTALS	23,709	25,475
Adjustment for multiple franchising	2,839	2,234
NET TOTALS	21,870	23,241

*—Retail outlets include dealerships, distributorships and factory-owned outlets.
**—Kenworth totals are estimates. Plymouth trucks are the Voyager wagon, Trail Duster sports/utility vehicle and Arrow compact pickup.
†—White includes Autocar and Western Star.
‡—Revised.

Mercedes van being tested in U. S.

This is a prototype of a forward-control type van being tested by Mercedes-Benz of North America in the U. S. market. Five units are being tested by operators in such applications as bakery, parcel and newspaper delivery. The all-aluminum bodies are by Olson.

Mercedes may offer medium diesel P/D van

By Jack Walsh
Truck Editor

For the last 10 years, Mercedes-Benz of North America has concentrated its truck-marketing efforts in the mid-range diesel segment, originally with Class 6 vehicles and currently with both Classes 6 and 7 units.

Now, the company is taking a serious look at what could be another fast-growing diesel market—the forward-control pickup-and-delivery van used in such applications as laundry, bakery and newspaper delivery with a broad range in GVW requirements.

Mercedes-Benz currently has five prototype vans in the U.S. for evaluation by interested fleets, according to Walter Bodack, the company's commercial vehicles vice president.

"The response by fleets which have tested the vans, operators and their drivers alike, has been excellent," he said. "We have discussed the addition of such a vehicle with many of our dealers, and they are anxious to have it."

Bodack did not say when a decision will be made as to whether the unit will be offered in the U.S. None of the five vehicles now in the test program have been certified for use in the U. S., and Bodack indicated that it would take 6 to 9 months to certify the van.

• The prototype van features the L613 chassis built by Daimler-Benz in Dusseldorf, West Germany, and a 15-foot Kurbmaster aluminum cargo body by Olson.

"The chassis isn't new, so it doesn't require any extensive testing in the U. S.," Bodack said.

The van is powered by an in-line six-cylinder Mercedes naturally aspirated diesel with a displacement of 346 cubic inches and rated at 130 HP at 2,800 RPM. It has a five-speed fully synchronized Mercedes transmission.

Preliminary specifications call for a gross vehicle weight of 14,965 pounds, which positions the vehicle at the top end of Class 4.

At this time, there are no production diesel-powered delivery

Continued on Page 22, Col. 3

Mazda adds items, boosts truck prices

LOS ANGELES. — Mazda has added steel-belted radial tires and AM/FM radios as standard equipment on mid-year production models of the 1981 B2000 pickup trucks.

Prices for the new models will be up between $150 and $300. Existing inventories of B2000s without the new items still will list at the suggested retail prices effective since October, a Mazda spokesman said.

Slack adjuster is introduced by Kelsey-Hayes

DETROIT.—Kelsey-Hayes Co. has introduced an all-new automatic slack adjuster designed for use on tractors, trucks and trailers with up to a Type 30 brake chamber.

Larry E. Pulkownik, sales and marketing manager for the firm's Heavy Duty Systems Division, said the new unit "automatically adjusts cam brakes during normal operation. While eliminating periodic adjustments, use of the adjuster provides more uniform wear and longer lining life.

"The result is better brake performance, better brake balance and lower maintenance costs," he added.

The adjuster, which was in development for more than four years, is available in three lengths—5½, six and 6½ inches

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U. S. TRUCK REGISTRATIONS PER OUTLET

	1980	1979	1978	1977	7976	1975	1974
Ford	152	201	233	199	169	132	156
Chevrolet	129	181	215	187	188	136	146
Kenworth	93	124	128	139	66	51	95
Dodge	89	115	141	145	126	90	91
Mack	88	116	105	100	46	45	76
GMC	70	106	121	102	93	62	70
Peterbilt	58	76	86	121	51	45	86
International	56	74	70	65	52	52	70
Freightliner	55	72	62	.....	.....	.....	.....
Jeep	45	77	93	71	67	54	67
White	33	51	54	83	47	20	97
Plymouth*	12	17	7	2	1	1	1
Volvo	8	.....	.....	.....	.....	.....	.....

*—Plymouth trucks are four-wheel-drive Trail Duster vehicles and Arrow compact pickups.
NOTE—White totals include Autocar and Western Star, and Freightliner prior to 1978.

truck industry news

Reign lasted only one month

Ford spurt ousts Chevy from registrations lead

Chevrolet's lead over Ford in registrations of new trucks of all types in the U. S. was short-lived. It lasted only a month.

Going into February, Chevrolet led by a margin of only 146 units. By the end of the month,

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the lead had evaporated and Ford was back in the top spot with an edge of almost 2,400 units.

For the first two months of the year, according to R. L. Polk & Co. statistics, Ford registrations totaled 105,562 units, compared with 103,188 for Chevrolet. Ford's February count was 53,083, while Chevrolet had dipped to 50,563.

January marked the first time since November, 1978, that Chevrolet had been No. 1 in truck registrations.

The industry total through February was 324,703 units, a decline of 26.7 percent from the year earlier 443,071 tallies. The February count was down 22.2 percent, from 209,794 units in 1980 to 163,195.

Two-month registrations continued on the downside in all three market segments and in seven of the eight weight classifications.

While the medium-truck market is by far the smallest segment, it suffered the least from a percentage standpoint in the first two months of the year.

Through February, 9,002 medium trucks were registered, down 8.7 percent from the year-ago 9,861. The Group 6 total of 8,766 units was off 7.3 percent from last year's 9,459, and the Group 5 declined 40.2 percent, from 391 vehicles a year ago to 234. Only two Group 4 trucks were registered in the first two months, both in February, compared with 11 in the same time in 1980.

A slowdown in registrations

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Lead over Ford in tallies of HDs is padded by IH

International increased its lead in heavy-truck registrations in February, accounted for almost 26 percent of the two-month total and improved its market share over the previous year by 6.27 percentage points.

Through February, according to R. L. Polk & Co. statistics, 6,144 new Groups 7 and 8 International trucks were registered in the U. S., almost 1,000 units more than Ford's 5,229.

The International tallies for the two months accounted for 25.98 percent of the industry total of 23,648. A year ago, when International had dropped into second place because of a strike

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U. S. TRUCK REGISTRATIONS

TWO MONTHS, 1981 VS. 1980★

Based on R. L. Polk & Co. statistical report

	2 mos., 1981	Percent Share of '81 market	2 mos., 1980	Percent Share of '80 market	Pct. pt. Change, '81-'80
Ford	105,562	32.51	139,698	31.53	+ 0.98
Chevrolet	103,188	31.78	138,128	31.17	+ 0.61
Dodge	24,047	7.41	37,182	8.39	− 0.98
GMC	23,613	7.27	34,244	7.73	− 0.46
International	10,298	3.17	12,389	2.80	+ 0.37
Jeep	7,878	2.43	16,454	3.71	− 1.28
Plymouth*	2,902	0.89	4,920	1.11	− 0.22
Mack	2,748	0.85	3,574	0.81	+ 0.04
Kenworth	1,517	0.47	2,171	0.49	− 0.02
Freightliner	1,120	0.34	1,960	0.44	− 0.10
Peterbilt	825	0.25	1,354	0.31	− 0.06
White	570	0.18	909	0.21	− 0.03
Autocar	203	0.06	293	0.07	− 0.01
Volvo	166	0.05	147	0.03	+ 0.02
Western Star	112	0.03	141	0.03	.....
Diamond Reo	19	0.01	13	.....	+ 0.01
Miscellaneous**	39,930	12.30	49,494	11.17	+ 1.13
TOTALS	324,703	100.00	443,071	100.00	.....

★—No registrations for Oklahoma, 1981 and 1980.
*—Plymouth trucks are Trail Duster, Voyager and Arrow.
**—Miscellaneous includes imports, Mercedes, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.

U. S. HEAVY DUTY REGISTRATIONS

TWO MONTHS, 1981 VS. 1980★

Based on R. L. Polk & Co. statistical report

	2 mos. 1981	Percent Share of '81 market	2 mos. 1980	Percent Share of '80 market	Pct. pt. Change, '81-'80
International	6,144	25.98	6,441	19.71	+ 6.27
Ford	5,229	22.11	6,545	20.03	+ 2.08
GMC	3,078	13.02	5,436	16.63	− 3.61
Mack	2,599	10.99	3,573	10.93	+ 0.06
Chevrolet	1,656	7.00	3,190	9.76	− 2.76
Kenworth	1,517	6.41	2,161	6.61	− 0.20
Freightliner	1,120	4.74	1,960	6.00	− 1.26
Peterbilt	825	3.49	1,351	4.13	− 0.64
White	570	2.41	909	2.78	− 0.37
Autocar	203	0.86	292	0.90	− 0.04
Volvo	165	0.70	147	0.45	+ 0.25
Western Star	112	0.47	141	0.43	+ 0.04
Diamond Reo	19	0.08	13	0.04	+ 0.04
Miscellaneous	411	1.74	521	1.60	+ 0.14
TOTALS	23,648	100.0	32,681*	100.00	.....

★—No registrations for Oklahoma, 1981 and 1980; Hawaii, 1980.
*—Figures for 1980 do not include 41 units registered in Hawaii.

New range has 27 models

Ford unveils Cargo, outlines tough goals

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ed to rise by 8 percent to 90,500 by the end of the decade.

O'Sullivan adds, "Mercedes has a formidable operation in Germany, as one would expect. It takes 25 percent of the European heavy-truck market, absolutely dominates it. And a big piece of that domination is by getting such a large share of the biggest market within the market.

"It's from that base that Mercedes gains the economies of scale with which to be so successful a manufacturer in Europe and export markets around the world."

• Ford was the leading brand in the UK last year, taking 23.7 percent. By 1990 it is forecasting 27.5 percent of a market totalling 74,000.

"We're assuming a stable, high performance in the UK throughout the decade," O'Sullivan said.

Five years ago Ford was pretty level pegging with Leyland and Bedford in the UK. Since then, Leyland and Bedford have dropped around 6 percentage points each, and imports like Mercedes-Benz, Volvo, Daf, IVECO and Scania have made ground.

Of the French market, O'Sullivan says, "As far as trucks are concerned, the French are probably the least chauvinistic in Europe. Imports do awfully well, which is perhaps a comment on Renault Industrial Vehicles. . ."

Nevertheless, RVI had 43 percent of a market worth 47,100 last year, while Ford had 3.5 percent. Ford expects this to grow to 7.5 percent by the end of the decade, when sales will amount to 53,500.

Mercedes-Benz enjoyed a very healthy 19 percent last year. IVECO did 13 percent and Volvo, 8 percent.

• In Italy, Ford sold 3.3 percent of last year's market, but is after at least 6.5 percent of 1990's forecast 38,400 market. IVECO's performance last year gave it 65 percent, well down from the 85 percent it enjoyed five years earlier.

The large inroads in Italy over the past half-decade were made by Renault (12 percent last year), Mercedes-Benz (9 percent), Scania) 4.6 percent) and Volvo (4.2 percent).

Commenting on the market, O'Sullivan says, "The Italian customer is the one who shied away from what he sees as cheap, utility cabs. Once you get into city delivery, he doesn't want anything old or tatty. And the D-series—and the Bedford TK—are seen as a bit past it now."

At the other end of the Italian market, he believes, "It's segmented towards line-haul trucks, which have not been a Fiat specialty. Customers have tended to go for the big, macho Volvos, Scanias, Mercedes and so on. That's cost Fiat one big bundle of lire."

Ford believes it can achieve these wide-scale targets on account of its European sales organization. It has fully owned concessionaires in each of its 15 European markets, whereas most rivals rely on independent distributors in many markets.

• O'Sullivan states, "If you control your distribution you're in a stronger position to reach the customers, who do not feel they are remote from the manufacturer. The customer also feels he can influence design through direct feed-back."

He describes Ford's dealer network—633—as "about right" to achieve the targets. RVI has nearly 900 and Mercedes-Benz and IVECO have more than 1,000 each.

Ford rejects the suggestion that creating a sophisticated truck for Europe will cut it off from Third World and other deep-sea markets. To this extent it has created Cargo in four levels of trim, from level one for poor markets such as India and North Africa, up to level four for Europe.

Cargo comprises 14 truck weights from 6 to 24.4 tonnes gross, seven tipper weight categories from 7.5 to 24.4 tonnes and six artic weight categories spanning 17 to 28.5 tonnes.

The 27 basic models are powered by six different engines, four Fords, one Cummins and one Perkins.

Each Cargo carries a four-digit number in the deep side window. For example, a 1314 is a 13 tonne GVW truck powered by a 144-HP Ford Turbo II engine.

REGISTRATIONS OVERSEAS

ITALY
Cars

	12 mos., 1980	12 mos., 1979
Alfa Romeo	118,507	113,909
BL	13,509	9,832
BMW	31,789	21,767
Fiat Auto	683,713	719,386
Autobianchi/ Lancia	117,316	87,131
Fiat	766,397	632,255
Ford	78,501	71,085
General Motors	62,071	53,181
Mercedes-Benz	13,806	11,192
Nuova Innocenti	29,178	33,355
Peugeot SA	193,478	178,451
Citroen	84,999	79,093
Peugeot	33,309	30,085
Talbot	75,170	69,273
Porsche	1,527	839
Renault	180,663	139,452
VAG	90,369	72,794
Audi	16,978	7,973
Volkswagen	73,391	64,821
Volvo	12,276	8,376
Total	1,716,435	1,434,169

UNITED KINGDOM
Cars

	2 mos 1981	2 mos., 1980
Alfa Romeo	1,220	2,234
BL Cars	49,599	48,280
BMW	3,296	2,429
Colt	2,330	1,808
Datsun	18,986	11,231
Fiat Auto	10,369	8,548
Ford	81,493	106,764
General Motors	20,685	29,285
Honda	2,846	4,641
Lada	1,960	2,998
Mazda	2,272	1,969
Mercedes-Benz	2,330	1,974
Peugeot SA	21,739	34,196
Renault	12,921	19,169
Rolls-Royce/Bentley	311	360
Saab	1,549	1,251
Skoda	725	1,146
Toyota	1,977	4,102
VAG	12,473	12,686
Volvo	7,338	7,832
Others	2,434	2,094
Total	258,853	304,997

WEST GERMANY
Cars

	2 mos 1981	2 mos., 1980
Alfa Romeo	1,955	2,837
BL	949	1,083
BMW	19,420	24,258
Daihatsu	1,514	592
Datsun	6,903	6,404
Fiat Auto	14,035	14,254
Ford	48,774	40,285
General Motors	60,190	73,789
Honda	6,452	6,612
Lada	773	1,278
Mazda	8,570	6,505
Mercedes Benz	40,256	45,551
Mitsubishi	7,960	4,667
Peugeot SA	15,067	19,680
Porsche	1,572	1,708
Renault	16,458	21,597
Saab	431	384
Suzuki	1,237	240
Toyota	9,206	8,033
VAG	103,343	136,647
Audi	24,156	39,911
Volkswagen	79,187	96,736
Volvo	2,127	2,907
Others	1,474	1,469
Total	368,666	420,780

And now: The Escort submarine

Garage owner Peter Keegan demonstrated a new water-repellant spray for vehicle electrical systems by driving under water. Donning wet suit and aqualung, Keegan drove under London's River Thames in a new Ford Escort prepared for the occasion by fitting snorkels to intake and exhaust, removing doors and windows and adding ballast. The stunt was judged successful.

Citroen enlists

Citroen anticipates an order from the French army of 5,000 units for its military version of the Mehari 4x4. This follows 20 months and 170,000 miles of testing with 10 prototypes of the four-wheel-drive machine. It is powered by a 34-HP version of the 40-CID two-cylinder engine.

Decision on Nissan UK plant due to be made in June

A decision is expected within a few weeks on where—or, indeed, if—Nissan plans to locate its $660-million auto factory in the UK.

Company officials and their McKinsey & Co. advisers have been engaged on what is known as a "feasibility study" since the shock announcement at the end of January that Nissan was interested in establishing a major European base.

Representatives from many of the country's depressed areas—and there are plenty—have been lobbying hard for the 200,000-unit factory which would create 5,000 jobs directly and plenty of others in spin-off industries.

A tentative decision day has been set in June for the eight hopefuls.

Nissan's aim is to have 60-percent local content at start-up, rising to 80 percent when fully established. But skeptics say that if targets and quality are not met with domestic components the new factory could amount to little more than an assembly operation.

Britain's European partners, particularly the French and Italians are less keen on the whole idea. They believe it would give Nissan a substantial bridge for its other products within the Common Market, at a time when pressures are growing for local import restrictions.

There is no mistaking the importance of Nissan's declared intentions. If the factory goes ahead it will be Nissan's largest venture outside Japan and Japan's single investment in Europe.

It would also put the company's other links with Alfa Romeo, Motor Iberica and Volkswagen into perspective.

In Europe, only Honda, with its kits operation with BL due to begin in October, has made any obvious progress towards European partnerships. But with ever-increasing resentment at Japanese import successes, few believe this is the end of the story, especially for Japan's leading auto maker, Toyota.

Further erosion of Vauxhall's name seen in UK

The decision by General Motors to combine its Vauxhall and Opel marketing in the UK is being regarded as a further weakening of the Vauxhall brand name.

Already, responsibility for passenger-car design and development has passed to Opel, and Vauxhall's products all but withdrawn from mainland Europe. (A few UK-made Chevettes are sold in West Germany.)

But until now GM had marketed its parallel Opel and Vauxhall products separately in the UK. Details of the plan were revealed to the 579 Vauxhall and 224 Opel dealers by John G. Bagshaw, newly appointed director of marketing for UK passenger cars.

Bagshaw, an Australian, was previously Western area sales manager for Pontiac in the U. S.

GM's combined penetration of the UK market to the end of March was 8.6 percent (36,229), compared with 9.6 percent (48,393) last year. It has been a long-time aim to hit 10 percent on a regular basis, compared with Ford's 30 percent and BL's 20 percent.

An additional change at Vauxhall Motors is the appointment to chairman of Managing Director Ferdinand Beickler. He replaces the retiring Geoffrey Moore.

PRODUCTION OVERSEAS

ITALY
Cars

	12 mos., 1980	12 mos., 1979
Alfa Romeo	117,819	111,059
Alfasud	101,752	96,455
Total Alfa Romeo	219,571	207,514
De Tomaso	84	86
Autobianchi	76,585	88,734
Ferrari	2,381	2,308
Fiat	995,455	1,081,386
Lancia	110,756	60,459
Total Fiat Auto	1,185,177	1,232,887
Lamborghini	64	55
Maserati	555	371
Nuova Innocenti	39,770	39,991
Total	1,445,221	1,480,904

Trucks

Alfa Romeo	1,672	2,036
Fiat Auto	89,786	78,159
Fiat IV	55,230	32,782
Magirus	2,952	4,263
OM	16,449	13,713
Total IVECO	74,631	70,758
Others	546	432
Total	166,635	151,385
Total vehicles	1,611,856	1,632,289

Part of decline laid to new taxes

No rosy glow on the Dutch horizon

By Richard Feast
European Editor

Tiny Holland, tucked away in a corner of Europe and almost forgotten, has been driving a bumpy highway in recent months.

Its very future as a vehicle building country is under the spotlight and it has endured a withering collapse in new-car sales.

Attention is focused on talks between Volvo Car Corp. and the Dutch government over the future of the small, loss-making car plant at Born in the country's depressed Limburg area.

While there has been no official announcement, there is widespread expectation that Ford will pull out of Amsterdam, where it makes the low-volume Transcontinental premium truck.

Which leaves Daf, the truck maker which came late to Europe but has gained an excellent reputation for quality and performance. However, it is a sprat in a world of increasingly hungry sharks, and the puzzle is whether it can survive as an independent.

A fact-finding mission to Holland provided some of the answers but it became clear that there is no rosy glow on the horizon.

Holland's new-car market is the fifth largest in the Common Market behind West Germany, France, Italy and the UK. For a country with a population of 14.3 million, demand each year is healthy

Since 1976 it has consistently topped half-million units a year, finishing 1979 with 575,000. Then came last year's collapse — almost 22 percent to 450,000.

Only tiny Denmark (73,800 sales) of all the European countries saw a larger fall. In neighboring Belgium, it was 7 percent to 428,000; in Germany, it was 7.5 percent to 2.43 million, and in France, 5 percent to 1.87 million.

The reasons, according to the trade and industry organization, R.A.I., stem from the economic situation and a number of government-imposed taxes on motoring.

Secretary Erik H. Glasius says, "At the end of 1979 the government said it would introduce a heavier tax on new cars, as of Jan. 1, 1980.

"On cars of 22,000 guilders ($9,200) and more it rose from 17 percent to 21.5 percent. This is a special car purchase tax. On top of that is VAT at 18 percent."

Customers knew the tax was coming, so a lot decided to buy before the end of the year. A peculiarity in the Dutch system allows customers to register cars in the month following purchase, so January, 1980, looked like the boom was continuing.

It was not, and the slow realization that the economic climate really was bad drove away the buyers.

"Suddenly they realized it was true, and they became more prudent in buying things, especially cars," explains Glasius.

Further price rises for gasoline and road tax did not help retailers, and the slump resounded home.

Glasius also describes recent high annual sales as a little artificial when seen from an historical point of view.

General Motors retained its market lead with 15.3 percent, gained on the basis of the Opel models it sells. Ford (9.1 percent), Volkswagen - Audi (8.8 percent) and Renault (8.7 percent) were the next most successful retailers.

But each lost market share. There are no prizes for guessing to whom.

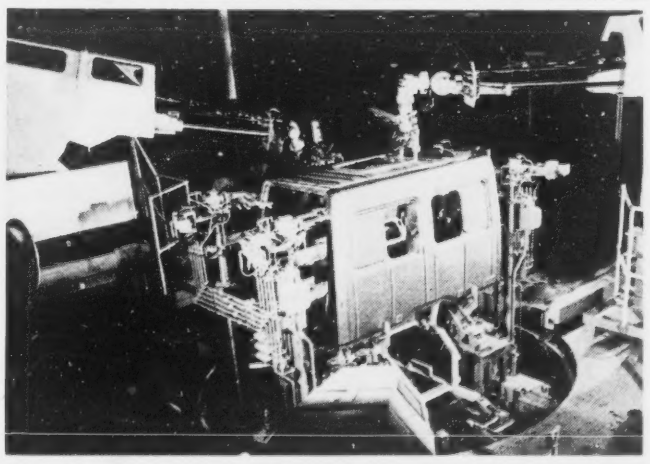
After stabilizing around 16 percent for the previous four years, Japanese sales leaped to 26.4 percent last year. Toyota, with 6 percent, jumped from ninth to fifth place among the top brands.

Total truck sales during the same period fell by just over 2 percent to 45,851. Panel vans and pickups up to 3½ tonnes held up well (32,500), the decline coming essentially from medium and heavy trucks (down nearly 8 percent at 13,400).

Among the optimists and pessimists, R.A.I. expects auto demand this year to remain level with last year's. Commercial vehicle sales are estimated to fall between 10 and 15 percent, especially at the heavier tractor end. Light-truck and van sales will remain at levels similar to those achieved in the past couple of years.

One peculiarity of the Dutch market is demand for cars converted to run on LPG (Liquified Petroleum Gas). It accounted for over 100,000 sales last year.

The reason stems from its (currently) tax-free price of the equivalent of $1.10 a gallon. But there is a proposal that it will be taxed at the same rate as diesel fuel, which would make it $1.65—still a long way from petrol (gasoline) at $2.45.



Robots on the job at Ford

Ford truck plant in Langley, England, is using Unimate robots for the first time. The plant currently builds 80 to 90 vehicles daily, although its capacity is 192.

Truck market in Europe cracks record at 1.3 million

Continued from Page 16

4.4 percent, Scania to 4.2 percent and Daf to 3.4 percent.

The losers were General Motors (mainly Bedford), which sank to 4.2 percent and Leyland, which went down to 3.4 percent, mainly on account of their performances in the UK.

The comparisons between last year and 1976 are particularly appropriate because of the similarity in size of the two markets —a mere 600 units between the two.

• Volkswagen led the medium-weight sector, which amounted to approximately 679,100 units. It had 19.8 percent to Ford's 18.1 percent, both having declined over the past five years.

The big gains were made by the Japanese, up from a mere 3.1 percent in 1976 to 12.5 percent last year. Peugeot (10.8 percent last year), Daimler-Benz (8.8 percent) and Fiat (8.0 percent) all fell as well.

Sales of light commercials last year amounted to 335,000, with Renault (36.4 percent) and Peugeot (26.6 percent) taking the lion's share. Ford was third with 9.9 percent, followed by BL (8.3 percent) and Fiat/Seat (7.2 percent).

Japan's share was not particularly significant (4 percent), representing a small rise from five years earlier. It was the same for the Japanese in the heavy end, where their 2.8 percent was largely on account of assembly operations in Portugal and the Republic of Ireland.

The largest single market, purely on account of its lightweight sales, was France, with 322,700 units. West Germany (237,400) was next on account of its healthy demand for medium and heavy trucks.

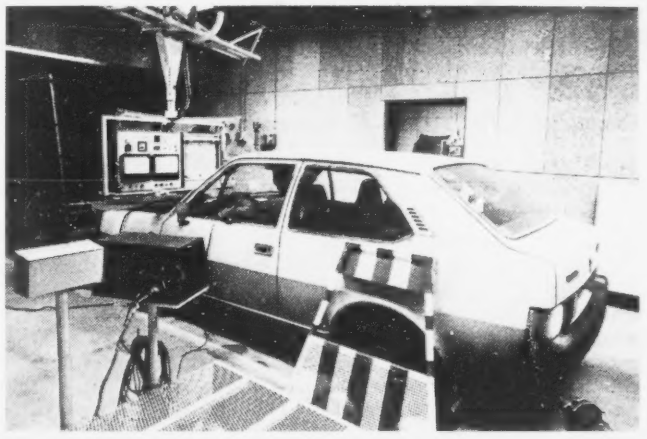
The UK (226,700), Italy (132,200) and Spain (99,600) were the next largest national markets. And among them, these five countries account for three-quarters of all European commercial vehicle demand.

Reward scheme cuts Renault absenteeism

One thousand workers per day more than a year ago now report for work at Renault plants throughout France.

That represents a drop in the average absenteeism rate from 10 to 9 percent.

A large part of the credit for this is attributed to a plan introduced in 1978 that gives cash rewards to workers having completed 220 working days in a year (a wage hike equivalent to $16.50 a week).



On the test stand

A Dutch-built Volvo 343 undergoes dynamometer test at the factory. Discussions have been taking place which are expected to lead to increased financial help from the Dutch government.

Does Volvo have a future as a Dutch manufacturer?

Continued from Page 16

two-thirds in 1974, to a quarter in 1975, then rise to the current 45 percent in 1978.

This is where it becomes a political affair. One Dutch observer commented, "Volvo needs a small car, but does it need a small factory?"

Volvo Car Corp. has already forged links with Renault, one of the world's leaders when it comes to building small cars. Volvo could probably just as easily obtain a new model from a shelf in Renault's future models cupboard.

But a new sense of realism abounds in the Dutch division, a perennial money-loser. Just how much the losses have been is hidden within Volvo Car Corp. accounts.

• Volvo Car BV's first move was to draw up a list of some 1,000 redundancies from its 6,250 workforce. Even before government officials would agree to talks with the Swedish group it needed an indication from the workforce that the cuts would go through.

"With this new structure, and with 1,000 fewer people, we expect to cut our losses by 85 million guilders (around $35 million). Our aim is to break even in four to five years, with diminishing losses until then," reports a company executive.

The company has never been in sound footing, as Erik Glasius, of the R.A.I., reports. "It's a sad history, starting with the genius of Hub van Doorne. He made one mistake, the desire to make a car.

"Basically, he was a truck man, making good trucks and with a prospering business. But then in 1958 he had the idea of making a car. It was too late," says Glasius, going on to cite the instances of similar failures around the same time: Glas and Borgward.

Van Doorne was persuaded by the government to locate the car factory in the depressed former mining area of the Limburg in the southern part of the country instead of around Eindhoven, where the company's truck factory had grown.

• It is this historical quirk which may persuade the government to come to the rescue. It remains an area of high unemployment despite the Born factory—can any political party slam the door again on a group of people which had already been hit by the closure of the mines?

Volvo AB president Pehr Gyllenhammar is leading the talks, which are being attended by J.A.M. Molkenboer, a government observer from the Ministry of Economic Affairs.

Volvo Car BV made 80,548 vehicles last year and expects to do a similar amount this year. Its sales graph shows just how badly it is hit at each energy crisis (post-1973 and post-1980). Its peak year was 1973, when 98,756 vehicles were made.

The main production center at Born can produce 100,000 units a year, apart from a small bottleneck in the press shop. With comparatively low investment, that can be upped to 120,000, says the company.

The biggest buyers of the 340 series last year were in the UK, where sales increased by 53 percent to 16,700. It even overtook sales in its domestic market (14,000 in 1980) and Sweden (10,400).

The 340 competes with the best that big boys like VW, Renault and Fiat can throw at it. It is a chunky model with the engine at the front and rear drive. The gearbox is rear-mounted with the differential, and it uses a de Dion rear suspension system. Power units are Renault or Volvo.

REGISTRATIONS

HOLLAND
Cars

	12 mos., 1980	12 mos., 1979
Alfa Romeo	4,776	6,985
BL	8,484	14,851
BMW	10,669	11,814
Citroen	22,019	27,574
Datsun	23,704	27,245
Fiat	18,547	25,842
Ford	41,044	63,879
General Motors	69,032	92,072
Honda	24,923	21,086
Lada	5,767	8,742
Mazda	17,446	19,271
Mercedes-Benz	9,346	11,641
Mitsubishi	21,460	15,736
Peugeot	22,365	37,988
Renault	39,304	50,713
Saab	2,792	3,672
Talbot	14,859	24,145
Toyota	27,100	26,076
Volkswagen	39,447	51,060
Volvo	19,215	27,194
Others	7,481	7,004
Total	450,076	575,059

Reign lasted only one month

Ford spurt ousts Chevy from registrations lead

Continued from Page 10

of Group 7 trucks, which grew dramatically in 1980 largely because of vehicle reclassifications and the switch from gasoline to diesel power, caused a significant decline in heavy-truck tallies.

The two-month total was 23,648, off 27.7 percent from last year's 32,722. Group 7 was down 19.9 percent, from 13,004 in 1980 to 10,422 units. There were 13,226 Group 8 tallies this year, a drop of 32.9 percent from the year-ago 19,718.

Light-truck registrations for the two-month period totaled 292,053 units, a decline of 27.1 percent from last year's 400,488.

There were 2,135 tallies in Group 3, the only weight classification to show a gain over 1980. The total was 60.4 percent higher than the year-earlier 1,331 units. Chevrolet accounted for 2,048 of the tallies, and Dodge the remaining 87.

The sag in the sales of the imported compact pickup trucks since the increase in tariff continues to erode Group 1 registrations.

In the first two months, the Group 1 count was down 17.1 percent, from 188,854 a year ago to 156,489. At the time that sales of the imports took a noticeable drop early last fall, Group 1 registrations had been running about 10 percent below the year-earlier total.

Group 2 registrations through February showed a decrease of 36.6 percent from the previous year. The count was 133,429 units, compared with 210,303 in 1980.

25 with Olds

Harold B. Wells, left, president, Wells Oldsmobile, Inc., Whiteville, N. C., receives his 25-year award plaque from Gary W. Sigman, Charlotte zone manager, in the company of a shiny 1956 Olds with wraparound windshield, similar to those Wells sold his first year as a dealer.

IH increases its lead over Ford in HD tallies

Continued from Page 10

shutdown, its 6,441 registrations accounted for 19.71 percent of the January-February total of 32,722 units.

Ford's share of the two-month total was up slightly from the first month of 1981 and 2.08 points higher than for the first two months of 1980, when it was in first place.

Its 5,229 tallies through February accounted for 22.11 percent of the total. At the same time a year ago, there were 6,545 Ford registrations good for 20.03 percent of the total.

• The biggest losers in penetration were GMC, down 3.61 points from a year ago; Chevrolet, off 2.76 points, and Freightliner, 1.26 points lower.

The two-month registrations of heavy trucks were down 27.7 percent from a year ago, while the February total of 11,928 tallies was 23.3 percent below the 15,501 units registered in the same month of 1980.

Registrations of Group 7 trucks through February totaled 10,422, off almost 20 percent from the year-earlier 13,004. In 1980, on the other hand, the Group 7 total was almost double the 6,814 units tallied in the first two months of 1979.

The Group 8 count through February was 13,226, a decline of 33 percent from the 19,718 registered a year ago.

Industrial boilers seen as answer to disposal of PCBs

WASHINGTON. — EPA has verified that polychlorinated biphenyls (PCBs) can be destroyed safely by burning them in high-efficiency industrial boilers.

Findings were based on tests conducted at General Motors' Chevrolet plant in Bay City, Mich.

Using the most sophisticated sampling equipment and methods available, EPA said, it discovered no PCBs or other toxic materials in gases released into the air through the boiler's stack.

PCBs are used as electrical transformer and capacitor cooling and dielectric fluids; heat transfer and hydraulic fluids; plasticizers in paints, adhesives and caulking compounds; dust control agents; sealants and coatings on roads; filters in investment casting wax, and dye carriers in carbonless copy paper.

Tests on laboratory animals have shown PCBs can cause reproductive failures, gastric disorders, skin lesions, tumors and other serious health problems.

Goodyear was in the news last August for discovering a process that essentially strips chlorine from PCBs, leaving common table salt.

The company intends to transfer the patents for the method to the public domain, allowing all manufacturers to benefit.

What's The Automotive World Coming To?

□

FIND OUT —
TURN TO PAGE 44

Your Subarus look better, with Bosch

Bosch fog lights offer your customers a degree of safety *and* styling simply not available with conventional headlights. But they won't buy what they can't see. So be sure to install these handsome lights on every car in your showroom.

To help boost sales of this profitable option, Bosch designed a customized showroom display for all the cars listed below. Each attractive display comes with informative brochures to help you close the sale.

Car with Bosch fog lights off. Start of "S" curve visible.

Same car with Bosch fog lights on. Complete "S" curve visible.

Bosch beam 60% wider

Bosch fog lights (legal in all 50 states) improve visibility in every kind of bad weather. A bright beam cuts underneath, skimming the pavement and reducing the dangerous glare of reflected light.

Even in clear weather, visibility can be a problem on narrow twisting roads. The extra-wide Bosch beam sweeps the road for a full 108°. That's 60° wider than conventional headlights.

As for appearance, Bosch designed their lights to give that stylish, factory-installed look that adds so much to a car's appeal.

Tested by manufacturer

Bosch fog lights are approved for dealer installation by all of the following manufacturers: *Alfa Romeo, Audi, BMW, Datsun, Fiat, Jaguar, Lancia, Mazda, MG, Peugeot, Porsche, Saab, Subaru, Triumph, Volkswagen, Volvo.*

Each manufacturer tests Bosch fog lights to assure compliance with their own stringent quality standards. They also review and approve installation instructions in detail.

That's why you and your customer can rely on instructions specifically written to suit the electrical systems of

Why do customers shun dealership shop?

Service is subject of Volvo survey

By John A. Russell
New York Staff Writer

ROCKLEIGH, N. J.—By the middle of May, the Volvo Dealer Image Survey will be underway throughout North America as the company and its dealers attempt to discover what consumers realy think about the organization.

It will go farther than the usual broadbrush treatment, focusing on what each participating dealer's customers think about the individual dealership. And dealers will receive the results on their operation.

According to John Theis, vice president and general manager of Volvo of America's service division, the project had its inception several years ago and was triggered by concern over the service retention rate at dealerships.

"The new-car dealer is losing business to others," Theis said, and national statistics concurred. Volvo wanted to discover whether the same thing was happening to its dealers so a market profile analysis was made in 1979 spanning model years 1974 to 1978.

Theis said it was soon apparent that customers, after the third year of ownership, went to independent service operations, either chain stores or local garages, at a "fast rate."

"After five years, Volvo dealers were losing 50 percent of their service business," he said.

• This national type of information was not enough, according to Theis. While it gave some indications as to why customers were going to other sources for service, including price, convenience and quality, it still did not turn the data into a meaningful tool for the individual dealer.

That was the beginning of the concept to develop an image survey that the dealer could use in his operation.

"Before, we didn't make an attempt to find out the expectations at the individual dealer level," Theis said.

The key to the survey is a questionnaire sent to the dealer's customers. The dealer provides a list of 300 of his customers, and the questionnaires are eventually returned to him.

A pilot program was conducted in 1980 with 91 dealers in the U. S. and 32 dealers in Canada.

These 123 dealers represented 24 percent of the dealer network in North America and 48 percent of Volvo sales, Theis said. Questionnaires were mailed to 27,300 persons in the U. S. and 9,600 in Canada. Volvo had a response rate of 32 percent in the U. S. and 31 percent in Canada.

In these questionnaires, Theis said, 15 key questions addressing specific issued were asked.

These areas included availability of service, diagnosis and repair which included the competence of the technicians; reception and delivery including the attitudes of the staff; estimates and accuracy of those estimates, and whether the car was finished on time.

The survey also asked where the customer went for repairs on the engine, fuel system, exhaust and brakes once the warranty expired on the car.

Theis said that when the pilot information came in, it was found that the statistics between the U. S. and Canada were almost identical. Dealers are losing the tire business. Body and paint business is another area where money can be made and is being lost, and so is the exhaust and lubrication business.

He said the exhaust business is not surprising considering advertising done by the national chains, but the dealer can do something to increase his volume.

The customer is asked about the importance of a certain task to him and whether his dealership performed satisfactorily.

Once tabulated, the survey forms plus the statistical data are returned to the dealer by Volvo. Information about his particular dealership and the questionnaires referring to his dealership are held in confidence. The actual questionnaires are returned to him as well.

The compilation of data is made so the dealer can compare himself from a district to a national level on all areas surveyed.

Another interesting twist to the survey is the dealer also is asked to complete the same form to see if his impressions of his operations are the same as those of his customers.

Theis said the company hoped to have the surveys completed by September or October in conjunction with the new-model introductions and the company representatives can discuss the results in conjunction with the dealer action plans for the following year.

Truck outlets in U.S. decline 1,371 in year

Continued from Page 10

Plymouth was down 331. The Dodge total this year was 2,565, compared with 2,969 in 1980, while Plymouth dipped from 2,793 to 2,482. Dodge and Plymouth dealers retail light trucks only.

The Plymouth Arrow compact pickup truck, which is imported from Japan, is available at only 1,172 of the Plymouth outlets, compared with 1,211 at the start of 1980.

Chevrolet had 170 fewer truck outlets going into 1981 with a total of 5,700, compared with 5,870 a year ago. Chevrolet no longer markets Class 8 line-haul heavy trucks, and about 60 outlets which did handle this type of vehicle have switched to the GMC big-truck line.

GMC, which specializes in the development, manufacture and marketing of big trucks for General Motors, had the smallest loss in outlets among the Big Three. Its total was down 84, from 2,680 to 2,596, and most of the loss was represented by light-truck duals with car dealerships.

Among the independents, International Harvester was the big loser. Its total was 252 fewer than at the start of 1980, dropping from 1,590 to 1,338. Again, most of the loss involved car outlets which had handled the Scout light-truck line, which was discontinued late in 1980.

There was a decline during the year in the number of franchises awarded by the various manufacturers, and an increase in the number of outlets which market more than one make.

On Jan. 1, 1981, there were 23,709 franchised truck dealerships, a decline of 1,766 from the year-earlier 25,475. The number of duals, on the other hand, was 605 higher, from 2,234 a year ago to 2,839.

your customers see better fog lights

the cars you sell. Illustrations clearly show where to mount the lights, which wires to connect and where to connect them. You even get directions on aiming lights for maximum performance.

Handy customized Bosch Fog Light Kit contains hardware needed for immediate installation

Parts supplied for easy installation

Most other fog lights are sold without the hardware needed to install them. In the Bosch kit you get a prewired harness containing relay, fuse holder and custom switch. You get bulbs, connectors, grommet, washers, screws. For most makes and models this is all the hardware you need for *immediate installation.*

These easy-to-install kits will appeal both to your busy service people and to the customer who enjoys doing it himself.

How to sell more fog lights

Bertles Imports, of South Bend, Indiana, has sold Bosch fog lights for over 10 years. Here are a few things Bertles sales and service people have found successful in stimulating customer interest.

1. Have every salesman install Bosch fog lights on his own automobile. This will afford personal experience with the product so he can talk with conviction.
2. Have the lights installed on all demonstration models. There may not be many opportunities to use them but they give every car that high performance look.
3. Recognize that prime prospects are rural customers and others who need that extra-wide Bosch beam especially on poorly-lit or winding roads.
4. Sell a customer once and chances are he'll want a set of Bosch fog lights on every car he buys. Repeat sales will be a big part of your business.

Order your free Bosch fog light display

If you sell any of the automobiles listed here, contact your vehicle manufacturer's parts department for Bosch fog lights and your customized showroom display.

ROBERT BOSCH

©1981 Robert Bosch Sales Corporation

Nest of gulls

Dozens of finished DeLorean sports cars, gullwing doors open, await final inspection at the assembly plant in Dunmurry, Northern Ireland. The company has been retrofitting some items on early production models, as engineering or manufacturing changes are made.

United Technologies claims MPG hike with diesel system

DEARBORN. — United Technologies Automotive Group said it has developed an electronically controlled diesel fuel injection system said to increase fuel economy up to 7 percent on cars.

The new system, designated ADECS—an acronym for automotive diesel electronic control system—will also reduce particulate emissions, smoke and noise, and improve overall engine operating efficiency, according to United Technologies.

Full production could start as early as 1983, said Edward J. Rapetti, Automotive Group vice president.

The newly designed fuel injection pump portion of the system, designated Model 75, is being laboratory tested and is available in production prototype form. It is applicable to three- to eight-cylinder diesel engines used for cars, light trucks and other vehicles in the 50- to 150-HP range.

The electronic control, including its microprocessor, sensors, software and other elements, is currently under development.

It is a more sophisticated design of an electronic control introduced late last year by United Technologies' American Bosch unit for use on trucks, farm tractors, construction equipment and other medium- and heavy-duty vehicles, Rapetti said.

Production prototypes of that control are already in the field being tested.

The ADECS system can be used for both indirect-injection and direct-injection engines. The more fuel-efficient direct-injection engines are being developed for the future.

The ADECS unit features sensors to monitor a diesel engine while it is running. Actual engine performance is compared to preprogrammed specifications in the system's memory.

Timing, quantity and duration of fuel injected into an engine's combustion chamber is then automatically adjusted for maximum performance and fuel efficiency, United Technologies said.

The system can be programmed to provide the driver with fuel-usage information and engine-service requirements displayed on the instrument panel.

It has a self-diagnostic capability to minimize the need for sophisticated service equipment and maintenance. It also can be modified to control various optional devices such as electronic injectors, turbochargers and exhaust gas recirculation units.

Only for Honda

SIMSBURY, Conn. — Scott Oldsmobile - Rolls-Royce-BMW-Honda-Alfa Romeo has opened a new showroom on its Avon-Simsbury property exclusively for Honda sales.

Sales dip 10 pct. for N. American cars in Canada

Sales in Canada of North American - built passenger cars dipped 10.38 percent during March, the third consecutive month of sales decline this year, but an improvement over the 19.53-percent plunge of February.

March car sales numbered 67,878, down from 75,737 a year ago but up substantially from 50,335 in February, 1981. Truck sales (including captive imports) were down 9.48 percent in March, to 26,123 from 28,859 last year.

General Motors passenger-car sales were off 6.39 percent, to 40,031 from 42,819 in 1980. Ford sales dropped 14.61 percent, to 14,681 from 17,193. Chrysler sales numbered 10,133, down 19.16 percent from 12,534. American Motors sold 2,181 new cars, down 9.31 percent from 2,405, while Volvo sales totaled 802, up 2.04 percent from 786.

GM's share of the market climbed to 59.05 percent from its year-ago 56.54 percent. Ford sales accounted for 21.63 percent, down from 22.70 percent. Chrysler had 14.93 percent, down from 16.55 percent. AMC earned 3.21 percent, up slightly from 3.18 percent, and Volvo cornered 1.18 percent, up from 1.03 percent.

Year-to-date car sales totaled 164,045 through March 31, down 13.31 percent from 189,230 a year ago.

GM truck sales in March numbered 13,009, down 13.38 percent from 15,018 last year. Ford sales were down 2.72 percent, to 9,427 from 9,691. Chrysler sold 3,378 new trucks, down 6.27 from 3,604, while AMC sold 309 Jeep vehicles, down 43.41 percent from 546.

Year-to-date truck sales totaled 62,301, down 17.96 percent from 75,941 last year.

NEW TRUCK SALES BY MAKE AND GVW CLASS

TWO MONTHS, 1981 VS. 1980

		Group 1 6,000 pounds and less	Group 2 6,001-10,000	Group 3 10,001-14,000	Group 4 14,001-16,000	Group 5 16,001-19,500	Group 6 19,501-26,000	Group 7 26,001-33,000	Group 8 33,001 and over	Make Totals
AUTOCAR	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**109**	**109**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	143	143
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**203**	**203**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	293	293
BROCKWAY	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
CHEVROLET	**Feb., '81**	**26,506**	**21,611**	**791**	.....	**75**	**735**	**745**	**100**	**50,563**
	Feb., '80	30,500	31,687	67	.....	136	900	1,181	265	64,736
	Year to Date '81	**53,377**	**44,435**	**2,048**	.....	**157**	**1,515**	**1,478**	**178**	**103,188**
	Year to Date '80	62,467	69,013	544	.....	301	2,306	2,573	617	137,821
(Memo Units)#	**Feb., '81**	**10,207**	**5,838**	.....	.....	.....	.....	.....	.....	**16,045**
	Feb., '80	14,587	10,042	.....	.....	.....	.....	.....	.....	24,629
	Year to Date '81	**20,409**	**11,783**	.....	.....	.....	.....	.....	.....	**32,192**
	Year to Date '80	30,312	21,593	.....	.....	.....	.....	.....	.....	51,905
DIAMOND REO	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**16**	**16**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	10	10
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**19**	**19**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	13	13
DODGE	**Feb., '81**	**7,768**	**4,896**	**53**	**1**	.....	.....	.....	.....	**12,718**
	Feb., '80	7,072	10,884	408	6	.....	.....	.....	.....	18,370
	Year to Date '81	**14,346**	**9,613**	**87**	**1**	.....	.....	.....	.....	**24,047**
	Year to Date '80	14,094	22,339	648	8	.....	.....	.....	.....	37,089
(Memo Units)#	**Feb., '81**	**4,900**	**2,747**	**5**	.....	.....	.....	.....	.....	**7,652**
	Feb., '80	4,678	6,835	130	.....	.....	.....	.....	.....	11,643
	Year to Date '81	**9,012**	**5,388**	**10**	.....	.....	.....	.....	.....	**14,410**
	Year to Date '80	9,308	13,973	232	.....	.....	.....	.....	.....	23,513
FORD	**Feb., '81**	**18,247**	**30,998**	.....	.....	.....	**1,116**	**2,025**	**697**	**53,083**
	Feb., '80	20,307	39,577	61	.....	.....	1,268	2,055	1,064	64,332
	Year to Date '81	**34,928**	**63,170**	.....	.....	.....	**2,235**	**3,904**	**1,325**	**105,562**
	Year to Date '80	42,272	87,705	134	.....	.....	2,678	4,240	2,305	139,334
(Memo Units)#	**Feb., '81**	**7,223**	**9,567**	.....	.....	.....	.....	.....	.....	**16,790**
	Feb., '80	8,922	12,037	.....	.....	.....	.....	.....	.....	20,959
	Year to Date '81	**13,454**	**19,153**	.....	.....	.....	.....	.....	.....	**32,607**
	Year to Date '80	18,267	27,398	.....	.....	.....	.....	.....	.....	45,665
FREIGHTLINER	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**604**	**604**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	986	986
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**1,120**	**1,120**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	1,960	1,960
VOLVO	**Feb., '81**	.....	.....	.....	.....	.....	.....	**49**	**23**	**72**
	Feb., '80	.....	.....	.....	.....	.....	.....	51	15	66
	Year to Date '81	.....	.....	.....	.....	**1**	.....	**95**	**70**	**166**
	Year to Date '80	.....	.....	.....	.....	.....	.....	114	33	147
GMC	**Feb., '81**	**4,505**	**5,387**	.....	.....	**45**	**478**	**770**	**765**	**11,950**
	Feb., '80	4,012	8,318	1	.....	36	692	1,547	1,274	15,880
	Year to Date '81	**8,771**	**10,703**	.....	.....	**73**	**993**	**1,591**	**1,487**	**23,618**
	Year to Date '80	8,547	18,833	1	.....	82	1,271	2,764	2,672	34,170
(Memo Units)#	**Feb., '81**	**654**	**1,177**	.....	.....	.....	.....	.....	.....	**1,831**
	Feb., '80	816	2,493	.....	.....	.....	.....	.....	.....	3,309
	Year to Date '81	**1,284**	**2,379**	.....	.....	.....	.....	.....	.....	**3,663**
	Year to Date '80	1,800	5,194	.....	.....	.....	.....	.....	.....	6,994
INTERNATIONAL	**Feb., '81**	.....	**290**	.....	.....	.....	**1,493**	**1,584**	**1,514**	**4,881**
	Feb., '80	.....	1,469	.....	.....	.....	1,270	1,243	1,491	5,473
	Year to Date '81	.....	**780**	.....	.....	.....	**3,374**	**3,118**	**3,026**	**10,298**
	Year to Date '80	.....	3,257	.....	.....	.....	2,638	3,011	3,430	12,336
(Memo Units)#	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
JEEP	**Feb., '81**	**1,905**	**1,707**	.....	.....	.....	.....	.....	.....	**3,612**
	Feb., '80	4,448	3,074	.....	.....	.....	.....	.....	.....	7,522
	Year to Date '81	**4,204**	**3,674**	.....	.....	.....	.....	.....	.....	**7,878**
	Year to Date '80	9,322	7,047	.....	.....	.....	.....	.....	.....	16,369
(Memo Units)#	**Feb., '81**	**1,905**	**1,279**	.....	.....	.....	.....	.....	.....	**3,184**
	Feb., '80	4,448	2,295	.....	.....	.....	.....	.....	.....	6,743
	Year to Date '81	**4,204**	**2,740**	.....	.....	.....	.....	.....	.....	**6,944**
	Year to Date '80	9,322	5,248	.....	.....	.....	.....	.....	.....	14,570
KENWORTH	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**712**	**712**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	1,046	1,046
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**1,517**	**1,517**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	2,161	2,161
MACK	**Feb., '81**	.....	.....	.....	.....	.....	**77**	**1**	**1,170**	**1,248**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	1,703	1,703
	Year to Date '81	.....	.....	.....	.....	.....	**149**	**10**	**2,589**	**2,748**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	3,573	3,573
PETERBILT	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**441**	**441**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	643	643
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**825**	**825**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	1,351	1,351
PLYMOUTH	**Feb., '81**	**1,241**	**310**	.....	.....	.....	.....	.....	.....	**1,551**
	Feb., '80	1,791	870	.....	.....	.....	.....	.....	.....	2,661
	Year to Date '81	**2,207**	**695**	.....	.....	.....	.....	.....	.....	**2,902**
	Year to Date '80	3,312	1,598	.....	.....	.....	.....	.....	.....	4,910
WESTERN STAR	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**62**	**62**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	76	76
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**112**	**112**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	141	141
WHITE	**Feb., '81**	.....	.....	.....	.....	.....	.....	.....	**330**	**330**
	Feb., '80	.....	.....	.....	.....	.....	.....	.....	425	425
	Year to Date '81	.....	.....	.....	.....	.....	.....	.....	**570**	**570**
	Year to Date '80	.....	.....	.....	.....	.....	.....	.....	909	909
MISCELLANEOUS*	**Feb., '81**	**20,512**	**253**	.....	**1**	**2**	**264**	**112**	**99**	**21,243**
	Feb., '80	24,349	.....	.....	1	3	215	153	130	24,851
	Year to Date '81	**38,656**	**359**	.....	**1**	**3**	**500**	**226**	**185**	**39,930**
	Year to Date '80	47,673	1	3	3	7	547	278	243	48,755
TOTALS	**Feb., '81**	**80,684**	**65,452**	**844**	**2**	**122**	**4,163**	**5,286**	**6,642**	**163,195**
	Feb., '80	92,479	95,879	537	7	175	4,345	6,230	9,271	208,923
	Year to Date '81	**156,489**	**133,429**	**2,135**	**2**	**234**	**8,766**	**10,422**	**13,226**	**324,703**
	Year to Date '80	187,687	209,793	1,330	11	390	9,440	12,980	19,701	441,332

★—No registrations for Oklahoma, 1981 and 1980.

#—Memo units are trucks which are part of the total listed above each entry. Chevrolet memo units are Chevy-Van, El Camino, Blazer and LUV; Dodge and Plymouth compact trucks; Ford, Econoline, Bronco and Courier; GMC, Vandura, Jimmy and Caballero; International Scout, Jeep, CJ-5 and CJ-7. *—Miscellaneous includes imports, Mercedes-Benz, Hendrickson, Oshkosh, etc.

During late 1980s

Researchers see big-car trend

IRVINE, Calif. — The demise of the six-passenger car has been greatly exaggerated, according to researchers at the University of California—Irvine.

Demographics and buying trends indicate, in fact, that the market share of six-passenger cars is likely to increase during the decade, according to an article published in Transportation Research by Hugh Gladwin, Charles Lave and Michael Murtaugh.

Higher fuel prices and smaller families do not necessarily mean more small-car sales, they said.

They pointed out that even for large cars, fuel costs amount to only 15 percent of ownership costs.

And today's demographically average family may have two adults and two toddlers, but later in the decade there will be an increase in the relative proportion of older children.

A pair of teen-agers will need more room than the backseat of a compact for themselves or their friends, the researchers said.

Households are not resigned to ending up with only small cars in the driveway, the researchers found. Car size was the major early decision made by the buyers studied.

"In almost all cases buyers quickly rejected cars which they considered to be too large or too small for their needs," the researchers said.

"Once established, this desired size was rarely traded off for other desirable features such as fuel economy, performance or a good price."

Buyers chose their car's size by the number and ages of their children and the size and ages of the cars they already owned.

Recessions have always produced a market shift toward more economical cars, the University of California team found.

They found families still want at least one family-sized car.

"The simplest interpretation of current market share trends is that replacement of the household's large car is being postponed until uncertainties about fuel prices and the economy are resolved," they said.

They predicted 28 percent of the 1990 sales will be six-passenger autos.

Model breakdown
Auction Averages

	April To Date	March	February
1981	$8,170	$8,432	$7,138
1980	5,883	5,698	5,704
1979	4,790	5,001	4,773
1978	3,718	3,681	3,705
1977	2,868	2,888	2,997
1976	2,154	2,226	2,265
1975	1,603	1,525	1,663
1974	1,370	1,347	1,205
Overall Average	$4,087	$4,076	$4,076

GM hike trims Ford incentives

DETROIT.—Ford Motor dropped several incentives it was considering, including one on trucks, because of General Motors' price increase.

Both Ford and Chrysler dealers have a price advantage over GM dealers, because neither company elected to go along with GM's April price hike at this time.

"Our incentive is the amount of GM's price increase," said a Ford spokesperson, who added that customers save about $350 per car by buying Ford (or Chrysler) as opposed to GM products.

Used car sales
Auction Averages

April to Date	$4,087
Month ago	$4,076
Year ago	$3,102

Silver anniversary for Parker Ford

James W. Parker, second from right, president, Parker Ford, Inc., Murray, Ky., receives his 25-year recognition plaque from Charles Lambert, center, Ford Division's Louisville district assistant sales manager. Proud family in attendance are, from left: Joe W. Parker, dealership vice president; John H. Parker, secretary-treasurer, and David Parker, general manager.

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Signals, hints and suggestions increase

Japanese issue mired in impasse

Continued from Page 1

of trade or their European partners but the industries are at loggerheads. All companies want to sell as many cars as they can.

Baldrige's talk to auto company officials — Ford's Philip Caldwell, Chrysler's Gerald Greenwald, Volkswagen's James McLernon, American Motors' Gerald Myers, and General Motors' Roger B. Smith — did not sit well with them. But neither did his talk with the UAW—or at least Baldrige gave that impression when he said that nothing could be expected from the union until after its local elections.

The message from the Japanese was reinforced at a Baldrige press breakfast. The situation is in "very delicate balance," said the secretary, and there's no telling what the Japanese will do unless the U. S. industry and the UAW take some firm action.

Baldrige also released for the first time an assessment made by his department that the domestic industry faces a $12 billion cash flow shortfall over the next three years—money needed to modernize.

• Meanwhile, news from Tokyo is that the Japanese Ministry of Industry and Trade started talking with individual companies to see if it could soften their position. The hope is now to hold imports for one year at 1.7 million cars plus 100,000 light trucks. This amounts to a 7 percent lower figure for cars, compared with 1980. Further meetings were set for the weekend.

By mid-week, GM, Ford and the UAW had responded to Secretary Baldrige.

GM's statement by Chairman Roger B. Smith was short and simple: By the end of 1984, GM plans to spend $40 billion—$32 billion of which would be spent in North America. GM has cut costs in every facet of its operations including reductions in salaried payrolls and employment.

GM has lowered its quarterly dividends from $1.15 to 60 cents a share and has shown price "restraint" and will do so in the future, Smith said. GM is doing its part. It thanks the government for what it has done in deregulation, and looks forward to cooperating with the UAW, Smith said. There was no mention of Japanese imports.

Ford's response was not so simple. Its "P-6" program covered products, productivity, pruning of overhead, profits, price and pay. But the bottom line is that it is "restraining" prices—not holding or lowering —and needs labor concessions now.

Ford did not say it would not raise prices if the Japanese restrain their imports — only that it "would continue with price restraint" in order to increase its market share and build for the future.

But, said Ford, we're doing all we can by ourselves; in addition we need concessions from the union before the 1982 negotiations and we need relief from Japanese auto exports. In short, thanks, Mr. President, for some deregulation and some general recovery hopes, but we still need more in relief from the Clean Air Act and probably special tax treatment, but it's not enough. Ball back in Japan's court.

• The UAW also sent the ball back to Japan. The union said the most crucial problem needing immediate attention is reduction in Japanese imports — hopefully a "binding restraint commitment that can be monitored and enforced," temporary but for a three-year period. The long term solution, however, is Japanese plants in the U. S. where their market is and where U. S. jobs can be created.

The UAW also repeated its requests for a tax credit to buyers of domestically produced cars and a scrappage bounty to speed the shift to more-fuel-efficient cars and spur car sales. (The UAW did not mention a U. S. - content proposal it has made in the past).

The UAW also repeated its willingness to support new technology and automation as one way to increase productivity. It stressed its efforts to reduce absenteeism and efforts to improve "fits and finishes."

But while the union is prepared for a "wider role and greater responsibility" — presumably seats on boards of directors and profit sharing — it gave no hope for wage concessions. It added, however, that it will—as it always has—bargain within the framework of "economic reality."

Two weeks earlier, Vice President George Bush, in announcing the results of the Auto Task Force study, made it clear that the President wanted talks, information and better understanding between the U. S. and the Japanese — but no negotiations.

Everyone was to do his own thing, Bush said, keeping in mind his own best interest and that of the future of the auto industry.

So far, there's been a lot of communication and perhaps better understanding, but hard and fast results are zero.

Mid-April new-car sales edge ahead of last year

By Edward Lapham
Financial Editor

Mid-April sales of U. S.-built cars were up slightly over year-ago levels but there was little consolation because last year's results were so puny.

Based on a strong-year-to-year gain by Chrysler Corp., the industry total for the April 11-20 period rose 1.4 percent to 148,726 from 146,671 last year. The total for the period was the third worst for the period in the years for which figures are available. The period record is 296,621 in 1978.

The daily rate for the period was 18,591, compared with 18,-334 last year. There were eight selling days in the period both years.

Chrysler, which continued a $50 test-drive retail incentive in the period while the other makers discontinued their incentives, reported a 47.7 percent increase to 20,216 from 13,687.

Ford Motor Co. sales nosed up 0.3 percent to 33,953 from 33,851.

General Motors sales fell 3.3 percent to 87,984 from 90,996. Volkswagen of America sales of U. S.-built Rabbits fell 18.6 percent to 3,773 from 4,637.

Estimated AMC sales were off by 20 percent to 2,800 from 3,500.

Sales of the Ford EXP and Mercury LN7 models brought in "an extra margin of sales," Ford officials said, accounting for the year-to-year gain. There were 1,914 EXP and 503 LN7 models sold in the period.

Chrysler's strong performance in the period boosted its share of domestic sales to 13.59 percent in the period, compared with 9.33 percent last year.

Ford's penetration slipped to 22.83 percent from 23.08 percent while GM's share declined to 59.16 percent from 62.04 last year. VWoA's share fell to 2.54 percent from 3.16 percent. AMC's estimated penetration fell below the two percent level to 1.88 percent from 2.39 percent.

Of the individual makes, Plymouth showed the largest year-to-year increase of 70.57 percent. Dodge was second, up 56.2 percent. Pontiac fared the worst, off 29.56 percent, followed by Lincoln which dropped 19.92 percent.

DOMESTIC SALES

	April 1-10, 1981	April 1-10, 1980
AMERICAN MOTORS	2,800†	3,500†
Chrysler	2,361	2,836
Imperial	149	—
Plymouth	8,936	5,239
Dodge	8,770	5,612
CHRYSLER CORP.	20,216	13,687
Ford	24,427	25,100
Mercury	8,018	6,868
Lincoln	1,508	1,883
FORD MOTOR	33,953	33,851
Buick	17,076	14,974
Cadillac	6,051	5,076
Chevrolet	31,476	34,234
Oldsmobile	20,694	18,701
Pontiac	12,687	18,001
GENERAL MOTORS	87,984	90,996
VOLKSWAGEN	3,773	4,637
INDUSTRY TOTAL	148,726	146,671

†—Estimate.

No concessions asked by IH in talks with UAW

CHICAGO. — The UAW and International Harvester Co. have held meetings to "open the lines of communication" but the company, while faced with a $4.7 billion debt reconstruction effort, did not ask the union for contract concessions, according to both IH and the union.

"The word contract never came up; the word concessions never came up," said a company spokesman.

Steve Yokich, UAW vice president and head of the agricultural equipment division, said the meeting served to open the lines of communication.

According to some union representatives, the meeting covered the details of IH's restructuring plan and the company's facilities and products.

Many had thought IH would ask the UAW for concessions, especially because the union's 5½ month strike, which ended last April, contributed heavily to the company's $397 million loss in fiscal 1980 and $96.4 million loss in the first quarter ended Jan. 31.

New role for the Escort

Europe's Ford Escort has been turned into a delivery van. The model, produced at Halewood in the UK, is to be sold in France, Ireland, Italy, Sweden and the UK. It uses 1.1, 1.3 or 1.6-liter engines and is available with either 1,100 or 1,620 pounds payload capability.

Ford and UAW disagree on need to reopen contract

By Edward Lapham and Marjorie Sorge

DETROIT. — Ford Motor Co. needs more competitive labor costs and should not have to wait until the normal contract renegotiations in 1982 to deal with the UAW, Ford Chairman Philip Caldwell said last week.

The Ford executive, who sent a letter to U. S. Commerce Secretary Malcolm Baldrige explaining what his company has done to alleviate its problems, said Ford had a "primary focus" on the "productivity side" rather than looking at simple wage reductions.

Caldwell called a press conference to explain the company's six-point program because he believed "there is a wide lack of understanding" about how much Ford actually has done.

Even as Caldwell spoke to reporters, several hundred employes from UAW Local 600 at Ford's Michigan Casting Center marched in front of the company's world headquarters building protesting the auto maker's supposed plans to cut back operations there, "because four-cylinder engines require less casting tonnage than eight-cylinder engines."

He would not be specific about what levels are needed, although he said the Brodhead bill which calls for a 1.2 million level of imports for three years and the Danforth bill which calls for a 1.6 million unit level for three years put "many clues on the table for the Japanese to read."

Caldwell did say it should be "highly desirable" to have a local-content law for domestic and import car companies which would set a required percentage of U. S.-manufactured parts and components for all vehicles sold here. He said Ford's current local content is 94 percent and that local content of the Escort/Lynx "world cars" is "higher than it ever was on the Pinto."

Caldwell was not specific about what kind or how much of a price restraint the company would be willing to adopt if Japanese imports are limited. He said the company has not raised prices as much as costs have increased and that "the greatest pressure on the company" is to increase volume, not to "tinker" with pricing policy.

• Despite Caldwell's position that returning to the bargaining table is urgent, UAW President Douglas A. Fraser on the other side of town said the union has no intention of reopening negotiations before 1982 when the current contract expires. However, he said the union would take the economic situation of the industry into account then.

Fraser did say the UAW would help Ford in any other way possible, and he said study committees would be formed within the next few months to begin work on the 1982 round of bargaining. This would save both parties time when they return to the table.

According to Fraser, there is no way anyone but the workers could reopen the contract and both the Ford and General Motors councils voted against it at a legislative meeting in Washington March 19.

He reminded Ford that in the 1967 negotiations, the UAW accepted a cap on the cost-of-living-allowance and "we have to live with this agreement until 1970." He indicated Ford will now have to live with the current contract until it expires in September, 1982.

Ford has said it might have to export its jobs because of the high labor costs, but Fraser warned the company not to make any decision now that could greatly affect the future.

Like Caldwell, Fraser also sent a letter to Commerce Secretary Malcolm Baldrige outlining the union's position on the auto industry's problems. He listed first the heavy Japanese influx into the American marketplace and again called for "binding import restraints."

Also listed were the high interest rates, the current economic uncertainty and the rapid shift in consumer demand for smaller vehicles which the U. S. makers are only just beginning to build in greater quantity.

Fraser cited Caldwell's desire to look at productivity-increasing rather than wage-cutting steps and said the union agreed with that approach and would do what it could to help increase productivity.

GM plans to sell New York HQ

NEW YORK. — General Motors announced last week it will sell its 50-story building on Fifth Ave. here.

It would still keep its corporate offices in the building but the company said it would put the capital into new products and manufacturing facilities.

The building is estimated to be worth $500 million

It's 11 days behind last year's pace

2-millionth car of 1981 produced

By Patricia Hoffman
Staff Writer

U. S. auto production reached the two-million mark last Wednesday (April 22), eleven days later than in 1980. Last year, the makers built their two-millionth auto on April 11.

Auto production last week took a jump over the previous holiday week's total, and output was also up from the comparable 1980 week.

Last week, the auto makers slated assembly at 161,794 units, up 32.43 percent from the 122,173 cars completed during the four-days of production the previous week, and also up 8.21 percent from the 149,514 built in the comparable period last year.

So far this year, the makers have completed 2,093,644 units, down 8.94 percent from the 2,299,231 units assembled in the comparable period last year.

Breakdown for last week by company is: General Motors, 61.47 percent; Ford Motor, 21.22 percent; Chrysler, 13.32 percent; Volkswagen of America, 2.57 percent, and American Motors, 1.42 percent.

Overtime was slated last week at Chrysler's Newark and Belvidere points. Both plants began nine-hour daily shift operations on April 20 and will continue the extended shifts this week.

Also at Chrysler, the Jefferson assembly point continues to increase its daily output of K-cars, working toward a 20.0 percent increase in total output by the end of April.

Saturday overtime was scheduled last week at GM's Leeds, Tarrytown, Lansing, Arlington, Doraville, Oklahoma City, Wilmington, Lakewood and Pontiac points.

Also at GM, downtime was slated last week at Janesville, and output was reduced to one shift at the Detroit Cadillac plant.

Chrysler said that its St. Louis assembly plant will end production of the 1981 Dodge Diplomat, Chrysler LeBaron and Plymouth Caravelle on May 1, for changeover to the 1982 model front-wheel-drive, mid-sized Chrysler and Dodge cars. The plant is scheduled to resume operations at the end of August.

It was reported last week that GM plans extended downtime at six U. S. assembly plants for changeover to 1982 models.

The six assembly plants, tentatively to be affected, are: Framingham, down June 19 to Oct. 5; Fremont, June 26 to Oct. 5; Doraville, June 26 to Sept. 28; Norwood, June 26 to Oct. 5; Van Nuys, July 10 to Oct. 5, and Leeds, July 31 to Oct. 12. A seventh plant, in Oshawa, Canada, reportedly would be down from June 26 until Sept. 28. GM has neither denied nor confirmed these reports.

breaking news

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Goodrich increases capacity for Estane TPU

CLEVELAND.—B. F. Goodrich Chemical Group will expand the capacity of its facilities in Avon Lake, O., to meet the rising demand for Estane thermoplastic polyurethane (TPU), the company said. The expansion will be completed in early 1982 and will increase production by over 30 percent. The Estane TPU business segment is part of the Chemical Group's specialty Polymers Unit, whose expected growth over the next decade has promoted plans for major expansions of several product lines. The company said the decision to expand the Estane TPU was made last year when demand increased 15 percent.

Radio a delete option

DETROIT.—As part of a 1979 agreement with the Custom Automotive Sound Assn. (CASA), General Motors will make its radios delete options in the J-cars. This will include the Cadillac Cimarron, making it the only Cadillac nameplate with a delete-option radio. The Cimarron radio is an AM/FM stereo with four speakers. In a 1979 settlement with CASA, GM agreed not to make radios standard on any new models through 1983.

Downtime at GM slices U.S. output of trucks 5.7 pct.

U. S. truck production last week fell below the level of the holiday-shortened previous week due to downtime at three General Motors assembly plants. The total, however, rose above the comparable 1980 week's output.

Planned truck production last week was 32,986 units, down 5.78 percent from the 35,008 trucks assembled in the previous, four-day week. But the total was up 1.08 percent from the 32,632 units completed in the comparable week last year.

So far this year, the truck makers have completed 568,093 units, a drop of 3.65 percent from 589,597 trucks built in the comparable period last year.

Downtime was slated last week at GM's Chevrolet Flint point. (Lines One and Two). Line Two (Blazer and Suburban) will remain idle this week.

GMAD's St. Louis truck point and GM's Lordstown van plant were also down last week and will remain idle this week.

Overtime was slated last week at Ford's Kentucky truck point.

Chrysler's Warren truck assembly plant will operate a nine-hour, single-shift operation this week.

Full work week hikes output in Canadian plants

Last week's Canadian auto production jumped ahead of the previous four-day week's output, and the total again was above that of the comparable 1980 week.

Auto production last week was set at 23,324 units, up 22.86 percent from the 18,984 cars assembled in the previous holiday week, and also up 19.97 percent from 19,441 units completed in the comparable week last year.

So far this year, the auto makers have assembled 259,653 units, down 10.84 percent from the 291,207 completed in the comparable 1980 period.

Canadian truck production also improved last week because of the full work week, however output fell below the comparable 1980 week's total.

Truck assembly last week was slated at 12,586 units, up 30.97 percent from the 9,610 trucks completed in the previous week, but down 5.27 percent from the 13,286 trucks built the week ended April 26, 1980.

Year-to-date, the truck makers have completed 179,681 units, down 5.10 percent from the 189,344 trucks built in the comparable period last year.

There was no downtime or overtime slated last week for the auto or truck makers.

General Motors and Chrysler have reported that all car and truck assembly plants will be operating this week.

U. S. CAR PRODUCTION

	Week Ended April 25, 1981	Week Ended April 26, 1980	Week Ended April 18, 1981	April to Date	Jan. 1, to April 26, 1980	Jan. 1, to April 25, 1981
AMERICAN MOTORS	2,300*	2,978*	2,200*	8,080*	62,068*	32,854*
AMX						
Spirit						
Concord						
Eagle						
Pacer						
CHRYSLER CORP.	21,550	12,105	14,778	68,171	209,235	260,499
Plymouth Total	10,950	5,790	7,424	33,871	96,497	129,211
Horizon	4,600	3,260	3,241	14,415	52,965	48,664
Reliant	6,100		4,057	18,118		71,109
Volare		2,100			34,709	
Caravelle	250	30	126	772	1,364	1,990
Gran Fury		400		566	7,459	7,448
Chrysler Total	1,600	1,175	1,054	5,273	26,336	20,746
LeBaron	1,600	375	1,054	5,128	19,546	15,884
Chrysler		800		145	6,790	4,862
Dodge Total	9,000	5,140	6,300	29,027	86,402	110,542
Omni	3,200	2,860	2,055	10,340	47,378	36,779
Aspen		1,600			24,509	
Aries	4,900		3,454	15,102		57,913
Diplomat	900	230	791	3,249	8,383	12,168
St. Regis		450		336	6,132	3,682
FORD MOTOR	34,333	35,087	27,356	113,751	461,119	439,245
Ford Division	23,775	24,489	18,747	78,753	333,877	304,940
Escort	6,775		5,291	23,786		125,166
Pinto		3,451			31,877	
Fairmont	5,649	6,450	4,314	18,341	90,580	61,432
Must./Must. II	4,322	5,806	3,547	13,813	90,617	45,911
Granada	2,989		2,426	9,365	26,284	24,311
Thunderbird	2,340	5,110	1,785	7,616	58,171	21,344
Ford	1,700	3,672	1,384	5,832	36,348	26,776
L-M Division	10,558	10,598	8,609	34,998	127,242	134,305
Mercury Total	8,918	10,598	7,291	29,478	114,098	115,058
Bobcat		573			6,932	
Lynx	2,545		2,101	8,954		43,282
Capri	1,490	1,834	1,127	4,418	26,605	13,734
Zephyr	1,362	2,214	1,153	4,491	30,023	16,834
Cougar/Monarch	1,353		1,050	4,166	7,793	11,395
XR-7	876	3,412	808	2,937	21,090	8,814
Mercury	1,292	2,565	1,052	4,512	21,655	20,999
Lincoln Total	1,640		1,318	5,520	13,144	19,247
Lincoln	820		659	2,750	4,826	9,173
Mark VI	820		659	2,761	6,875	10,074
Versailles					1,443	
GENERAL MOTORS	99,451	94,009	74,364	321,036	1,499,745	1,298,317
Buick Division	23,098	17,560	16,690	74,017	294,965	306,601
Skylark	5,476	4,970	4,000	18,536	78,218	84,232
Century	4,872	4,014	3,653	15,725	61,588	61,830
Regal	7,589	5,066	5,346	23,044	75,572	86,465
Buick	3,805	3,510	2,709	12,414	61,886	54,856
Riviera	1,356		982	4,298	17,701	19,218
Cadillac Division	4,292	2,116	5,021	15,984	82,024	93,390
Cimarron	33		13	46		46
Seville	769		553	2,496	14,904	10,460
Eldorado	1,330		956	4,752	20,274	21,534
Cadillac	2,160	2,116	3,499	8,690	46,846	61,350
Chevrolet Division	32,628	39,128	26,014	108,471	622,137	453,224
Chevette	9,171	9,275	5,968	28,390	152,865	102,302
Cavalier	1,153		448	1,931		2,009
Monza ('80)		3,735			53,887	
Camaro	2,580	3,770	2,455	9,998	46,379	42,152
Citation	9,037	10,275	6,087	29,554	158,880	118,192
Malibu	6,716	6,578	4,373	19,652	94,695	83,227
Monte Carlo	3,571	2,295	2,571	10,914	45,265	42,948
Chevrolet		2,400	3,792	6,672	54,455	51,526
Corvette	400	800	320	1,360	15,711	10,868
Oldsmobile Division	25,550	20,417	17,363	79,702	287,981	309,001
Omega	3,320	2,712	2,489	11,888	41,290	50,572
Cutlass	13,980	11,335	9,264	40,597	135,686	146,862
Oldsmobile	6,975	6,370	4,715	23,056	95,364	95,138
Toronado	1,275		895	4,161	15,642	16,429
Pontiac Division	13,883	14,788	9,276	42,862	212,638	136,101
Acadian†	420	705	422	2,175	8,550	7,539
J2000	1,109		719	2,569		2,972
Sunbird ('80)		3,065			50,379	
T1000	2,741		1,754	8,786		15,280
Firebird	1,500	1,988	795	3,921	33,142	16,898
Phoenix	2,967	3,240	1,963	9,488	45,121	38,383
Grand Prix	3,115	1,745	1,970	8,982	24,040	31,191
LeMans	1,831	1,965	1,279	5,639	20,907	18,961
Pontiac	200	2,080	374	1,302	30,499	4,877
VOLKSWAGEN	4,160	5,250	3,475	14,304	65,989	62,096
CHECKER		85*		30*	1,075	633*
Total Cars, U. S.	161,794	149,514	122,173	525,372	2,299,231	2,093,644

CANADIAN CAR PRODUCTION

	Week Ended April 25, 1981	Week Ended April 26, 1980	Week Ended April 18, 1981	April to Date	Jan. 1, to April 25, 1980	Jan. 1, to April 25, 1981
AMERICAN MOTORS	720		581	2,460		9,833
CHRYSLER CORP.	1,800		1,537	3,337	23,001	8,693
FORD MOTOR	7,107	6,912	5,952	23,682	81,309	57,553
GENERAL MOTORS	13,472	12,304	10,734	45,410	183,197	180,143
VOLVO	225	225	180	765	3,700	3,431
Total Cars, Canada	23,324	19,441	18,984	75,654	291,207	259,653
N. American Cars	185,118	168,955	141,157	601,026	2,590,438	2,353,297
N. American Trucks	45,572	45,918	44,618	168,460	778,941	747,774
North American Cars and Trucks	230,690	214,873	185,775	769,486	3,369,379	3,101,371

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

TRUCK PRODUCTION IN U. S.†

	Week Ended April 25, 1981	Week Ended April 26, 1980	Week Ended April 18, 1981	April to Date	Jan. 1, to April 26, 1980	Jan. 1, to April 25, 1981
CHEVROLET	5,373	5,573	12,826	39,858	195,172	189,095
DODGE/PLYMOUTH	4,500	2,100	1,744	9,479	47,137	27,899
FORD	15,220	16,918	12,168	49,293	222,946	197,370
GMC	1,673	3,729	3,029	10,751	57,251	64,537
INTERNATIONAL	1,690	564	1,359	5,778	564	25,099
VOLKSWAGEN	1,040	750	862	3,544	9,306	15,152
MACK					9,340	
JEEP	2,000*	1,680*	1,600*	6,620*	27,860*	28,986*
AMC CORP.	90*	284*	70*	301*	3,247*	1,355*
WHITE		134			2,614	
MISCELLANEOUS	1,400*	900*	1,350*	4,820*	14,160*	18,600*
Total Trucks, U. S.	32,986	32,632	35,008	130,444	589,597	568,093

CANADIAN TRUCK PRODUCTION

	Week Ended April 25, 1981	Week Ended April 26, 1980	Week Ended April 18, 1981	April to Date	Jan. 1, to April 26, 1980	Jan. 1, to April 25, 1981
CHRYSLER CORP.	1,808	1,014	1,509	6,122	12,213	21,536
FORD MOTOR	4,104	4,880	2,333	12,185	66,166	55,537
GENERAL MOTORS	6,429	5,962	5,571	18,871	95,103	98,580
AMERICAN MOTORS		900			9,379	
INTERNATIONAL	245	465	197	838	4,503	4,028
MACK					934	
WHITE		65			1,046	
Total Trucks, Canada	12,586	13,286	9,610	38,016	189,344	179,681
N. American Trucks	45,572	45,918	44,618	168,460	778,941	747,774

†—Now includes window van production. *—Estimated.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles.